



***Substitute Senate Bill No. 391***

***Public Act No. 06-65***

***AN ACT CONCERNING THE SALE OF HOME HEATING OIL AND PROPANE FUEL.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 14-329 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2006*):

(a) The standard gallon shall be the unit of measurement for all sales of gasoline, kerosene, fuel oils or similar substances sold or offered for sale for the purpose of creating power or heat. Each delivery of gasoline in a quantity of fifty gallons or more and each delivery of kerosene, fuel oil or similar substance in a quantity of five gallons or more shall be the complete contents of a vehicle tank or it shall be through a meter. Each such tank or meter shall be sealed by a sealer of weights and measures before being used. The term "vehicle tank", as used herein, means a container, which may or may not be subdivided into two or more compartments, mounted upon a wagon or motor truck and used for the delivery of such fluids. The term "compartment" means the entire tank whenever the tank is not subdivided; otherwise it means any one of those subdivided portions of the tank which are designed to hold such fluids. Each delivery through a meter shall be delivered through a meter equipped with a numeral reset counter, a register with a zero start or an accumulative ticket printer, which

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meters shall print an accurate record of all deliveries in gallons and tenths. Such ticket printer shall print the gallonage reading of the meter before and after delivery is made and each ticket shall be locked in the meter between readings so as to prevent fraud. Each delivery shall be accompanied by a delivery ticket and a duplicate thereof, on which shall be distinctly expressed in ink or other indelible substance, in gallons, or gallons and tenths when so required, the quantity of such fluid so delivered, with the name of the seller and the name of the purchaser of such fluid. One of such tickets shall be surrendered, upon demand, to the sealer of weights and measures, for his inspection, and such ticket or, when the sealer desires to retain the original ticket, a measure slip issued by the seller or his agent, shall be delivered to the purchaser or his agent or representative at the time of the delivery of such fluid. If the purchaser or his agent takes such fluid from the place of purchase, a delivery ticket showing the actual number of gallons, or gallons and tenths, delivered shall be given to the purchaser or his agent at the time of delivery. Delivery tickets shall bear the name or identification number of the seller's driver and shall be sequentially numbered. Copies of delivery tickets shall be retained by the seller for one year and shall be available for inspection during normal business hours. No seller, or agent of such seller, shall possess a delivery ticket which has been printed with a record of a delivery which has not occurred. The method of determining the number of gallons of any such fluid delivered shall be by measuring the same in measures that have been tested and sealed by a sealer of weights and measures.

(b) No person, firm or corporation shall sell at retail fuel oil or propane gas to be used for residential heating unless all of the purchaser's costs associated with such fuel oil or propane gas, including, but not limited to, unit price and any delivery surcharge, are disclosed to the purchaser, in writing, at the time the purchaser enters into a purchase contract with the seller or at the time of renewal of such contract. Such disclosures shall be made by the seller when the

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purchaser places an order for such fuel oil or propane gas if there is no contract between the seller and purchaser.

[(b)] (c) The provisions of this section shall not apply to barge, railroad tank car, drum or slow flow meter delivery.

[(c)] (d) The provisions of this section requiring meters to print tenths of a gallon shall not apply to bulk plant deliveries to a reseller, or bulk delivery of gasoline to service stations for resale. On other high-speed, large volume deliveries, the Commissioner of Consumer Protection may waive the one-tenth gallon requirement, upon request. On all of these deliveries the meters shall print an accurate record in gallons.

[(d)] (e) Any person who, by himself or by his agent or employee, or as the employee or agent of another, violates any provision of this section shall be subject to the penalties provided in [section 43-9] chapter 750, concerning weights and measures, or chapter 296, concerning operation of fuel supply businesses, as applicable.

Sec. 2. Section 16a-23m of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2006*):

(a) [On or after October 1, 2001, no] No person, firm or corporation shall engage in the retail sale of home heating oil or propane gas without a certificate of registration as a home heating oil or propane gas dealer issued pursuant to this section. Only one registration shall be required of a dealer to engage in both the retail sale of heating oil and propane gas.

(b) Each person, firm or corporation seeking registration as a home heating oil or propane gas dealer shall apply annually for a certificate of registration with the Department of Consumer Protection on forms prescribed by the Commissioner of Consumer Protection. Each applicant shall pay a registration fee of one hundred dollars. The

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commissioner shall require all applicants for registration as a home heating oil or propane gas dealer to provide evidence of general liability insurance coverage and insurance to cover any potential environmental damage due to fuel oil spills or propane gas leaks caused by such applicant as a registered dealer which coverage shall be not less than one million dollars. Each registered dealer shall provide the department with evidence of each renewal of or change to such insurance coverage not later than five days after such renewal or change during the period of registration, which renewal or change shall meet the requirements of this subsection.

(c) Each registered dealer shall display its registration number in all advertisements and other materials prepared or issued by the dealer, which contain information on such dealer.

(d) The insurance company of a home heating oil or propane gas dealer shall notify the Commissioner of Consumer Protection, in writing, upon cancellation of insurance required by subsection (b) of this section by any home heating oil or propane gas dealer. The Commissioner of Consumer Protection shall revoke the registration of any such dealer without the insurance coverage required by subsection (b) of this section.

Sec. 3. Section 16a-23n of the 2006 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2006*):

(a) A contract for the retail sale of home heating oil or propane gas that offers a guaranteed price plan, including fixed price contracts and any other similar terms, shall be in writing and the terms and conditions of such price plans shall be disclosed. Such disclosure shall be in plain language and shall immediately follow the language concerning the price or service that could be affected and shall be printed in no less than twelve-point boldface type of uniform font.

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(b) A home heating oil or propane gas dealer that advertises a price shall offer said price for a period of no less than twenty-four hours or until the next advertised price is publicized, whichever occurs first.

(c) No home heating oil or propane gas dealer shall enter into a prepaid home heating oil or propane gas contract or a capped price per gallon home heating oil contract unless such dealer has either: (1) Obtained and maintained heating oil or propane gas futures contracts or other similar commitments that allow such dealer to purchase, at a fixed price, heating oil or propane gas in an amount not less than seventy-five per cent of the maximum number of gallons or amount that such dealer is committed to deliver pursuant to all prepaid home heating oil or propane gas contracts entered into by such dealer or that such dealer estimates is committed pursuant to all capped price per gallon home heating oil or capped price per unit propane gas contracts, respectively, or (2) obtained and maintained a surety bond in an amount not less than fifty per cent of the total amount of funds paid to the dealer by consumers pursuant to prepaid home heating oil or propane gas contracts or that the dealer estimates will be paid to the dealer by consumers pursuant to all capped price per gallon home heating oil or capped price per unit propane gas contracts, respectively. Such dealer shall maintain the amount of futures contracts or the amount of the surety bond required by this subsection for the period of time for which such prepaid home heating oil or propane gas contracts or capped price per gallon home heating oil or capped price per unit propane gas contracts are effective, except that the amount of such futures contracts or surety bond may be reduced during such period of time to reflect any amount of home heating oil or propane gas already delivered to and paid for by the consumer.

(d) No prepaid home heating oil or propane gas contract shall require any consumer commitment to purchase home heating oil or propane gas pursuant to the terms of such contract for a period of

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more than eighteen months.

(e) Any prepaid home heating oil or propane gas contract shall indicate: (1) The amount of funds paid by the consumer to the dealer under such contract, (2) the maximum number of gallons of home heating oil or maximum amount of propane gas committed by the dealer for delivery to the consumer pursuant to such contract, and (3) that performance of such prepaid home heating oil or propane gas contract is secured by one of the two options described in subsection (c) of this section. Any such contract shall provide that the contract price of any undelivered home heating oil or propane gas owed to the consumer under the contract, on the end date of such contract, shall be reimbursed to the consumer not later than thirty days after the end date of such contract unless the parties to such contract agree otherwise.

Sec. 4. Section 16a-23o of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2006*):

Any person, firm or corporation required to register as a home heating oil or propane gas dealer pursuant to section 16a-23m, as amended by this act, that offers plumbing or heating work service shall submit evidence, deemed satisfactory by the Commissioner of Consumer Protection, when registering, that such person, firm or corporation subcontracts with or employs only persons licensed or registered pursuant to chapter 393 to perform such work. Such person, firm or corporation shall attest, when applying for registration as a dealer pursuant to section 16a-23m, as amended by this act, that all plumbing or heating work service shall be performed in accordance with the provisions of chapter 393. Anyone registered under this section who offers such plumbing or heating services shall display the state license number of the subcontractor or employee performing such work for the registrant on all commercial vehicles used in their business and shall display such number in a conspicuous manner on

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all printed advertisements, bid proposals, contracts, invoices and stationery used in the business.

Sec. 5. Section 16a-23s of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2006*):

The Department of Consumer Protection shall establish a list of all registered home heating oil and propane gas dealers. The department shall make the list available to all wholesalers of home heating oil or propane gas doing business in the state and such wholesalers shall only sell to the registered home heating oil or propane gas dealers on said list.

Approved May 19, 2006